

**REMARKS**

Applicants reply to the Office Action dated November 16, 2005, within the shortened three month statutory period for reply. Claims 1-14 and 26-36 were pending in the application and the Examiner rejects claims 1-14 and 26-36. Support for the amendments may be found in the originally filed specification, claims, and figures. No new matter has been introduced by these amendments. Reconsideration of this application is respectfully requested.

**Specification Objections**

Applicants have amended the specification to remove hyperlinks, as requested by the Examiner. The original disclosure includes sample hyperlinks which have been retained and which comply with 35 U.S.C. § 112, first paragraph. The remaining sample hyperlinks are in accordance with MPEP 608.01(VII), which states:

“Where the hyperlinks and/or other forms of browser-executable codes >themselves rather than the contents of the site to which the hyperlinks are directed< are part of applicant’s invention and it is necessary to have them included in the patent application in order to comply with the requirements of 35 U.S.C. 112, first paragraph, and applicant does not intend to have these hyperlinks be active links, examiners should not object to these hyperlinks.”

Applicants have also changed the phrase “tax authority calculation” to “tax authority calculator” merely to clarify that the phrase describes a component of the overall system in certain embodiments.

**Claims Rejected under 35 U.S.C. § 112, First Paragraph**

The Examiner rejects claim 33 under 35 U.S.C. § 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most closely connected, to make and/or use the invention. Specifically, the Examiner asserts that the “specification fails to disclose, in an adequately enabling manner, how the ‘VoIP’ embodiment would function” (page 3, item 6). Applicants respectfully traverse this rejection.

According to one embodiment of the invention, the Applicants have disclosed that the taxation system may be used to tax transactions initiated over VoIP. For example, in paragraph [0058] of the specification, the VoIP embodiment is clearly disclosed and states that, “system 300 may be useful in a Voice over Internet (VoIP) protocol or other similar Internet protocols.

In this particular application, an Internet Service Provider (ISP) may provide service in a similar manner as telcom service provider 301.” The paragraph goes on to explain that the ISP may make requests to the system to determine the applicable taxing authority, calculation of tax, payment authorization, etc.

The manner by which requests to the system are facilitated is described in detail throughout the specification under various embodiments. Under this particular embodiment, reference is made to the telcom (or mobile telephone) embodiment. Practitioners would appreciate that an ISP may invoke a request in the same manner as a telcom provider without requiring modification to the system of the invention. VoIP is a well known means for voice communication of over a computer network, and thus, the taxation structure and calculations of the system are equally applicable to voice calls made through an ISP. As such, Applicants assert that the specification clearly provides an enabling disclosure for ISP taxation for VoIP services.

#### **Claims Rejected under 35 U.S.C. § 103**

The Examiner rejects claim 1-14 and 26-36 under 35 U.S.C. § 102(e) as being anticipated by Sullivan, U.S. Patent Number 6,424,979 (“Sullivan”). Applicants respectfully traverse this rejection.

Sullivan generally discloses a tax calculator that receives purchase information from a retailer and provides a tax amount in return. Specifically, the Sullivan system allows sellers or purchasers to calculate, record, and report tax liabilities. The system calculates tax amounts based on applicable international, federal, state, and local tax rates. The Sullivan system also takes into consideration product and/or service exemptions, entity exemptions, and rounding.

According to Sullivan, sellers and purchasers, through their billing systems, cash registers, and web sites, transmit transaction details to the tax compliance system. The tax liability is calculated and transmitted back to the input source for application to the purchase price. Sullivan’s tax compliance system also records the tax liability for future use in computing a tax return, defending an audit, or for tax planning.

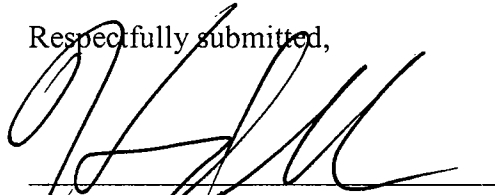
When the Sullivan system receives transaction information from the seller, it determines the proper taxing authorities and retrieves the corresponding calculations from storage. The system then performs the calculations and returns the summed tax amount to the seller to consummate the transaction. Sullivan discloses a number of components used in the calculation of taxes such as, for example, a tax transaction calculator, an address manager, a tax rate

manager, an exemption manager, and a tax information manager. All of these modules are centrally located, meaning that all requests are transmitted to and processed by the centralized taxation system of Sullivan. Rather than identifying the proper taxation authorities and routing transaction information to each, the Sullivan system calculates taxes on behalf of all relevant taxing authorities. As a result, stringent administration of the Sullivan system would be not only vital, but extremely difficult to maintain. An administrator of the Sullivan taxation system would need to be immediately aware of tax changes occurring over hundreds, if not thousands, of distinct taxing authorities. As such, Sullivan does not disclose or suggest at least, "said tax directory configured to at least one of route said transaction to said identified tax authorities and return a list of said identified tax authorities to said personal communication device," as similarly recited by independent claims 1, 26, 30, and 34.

Claims 2-14, 27-29, 31-33, and 35-36 variously depend from independent claims 1, 26, 30, and 34. As such, dependent claims 2-14, 27-29, 31-33, and 35-36 are differentiated from the cited references for at least the reasons set forth above, as well as in view of their own respective features.

In view of the above remarks and amendments, Applicants respectfully submit that all pending claims properly set forth that which Applicants regard as their invention and are allowable over the cited references. Accordingly, Applicants respectfully request allowance of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject Application. Applicants authorize and respectfully request that any fees due be charged to Deposit Account No. 19-2814.

Respectfully submitted,

  
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